Increasing Industrial Investment in Andhra Pradesh

441. SHRI V. HANUMANTHA RAO: Will the PRIME MINISTER be pleased to state :

(a) whether Government propose to increase the central investment in industrial sector in Andhra Pradesh during the current Five Year Plan;

(b) if so, the details thereof; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHI) : (a) to (c) No new grass roots plant in the central industrial sector is proposed to be set up in the current Five Year Plan. There are certain central sector investment Projects in the State of Andhra Pradesh where schemes of expansion, diversification, modernisation etc., are being undertaken. The details of central projects, costing more than Rs. 100 crores which are under implementation are given at pages 43-48 of Vol. I of Public Enterprises Survey 1991-92 laid in both the Houses of Parliament on 26-2-1993.

PSUs showing losses

442. SHRI MOHAMMED AFZAL ALIAS MEEM AFZAL : Will the PRIME MINISTER be pleased to state :

(a) what is the total number of Public Sector Undertakings undergoing financial losses;

(b) how Government propose to remedy the working of such undertakings;

(c) whether any proposal for privatisation of Public Sector Undertakings is under the consideration of Government; and

(d) if so, the details thereof and how the services of the surplus employees are proposed to be regulated ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHI) : (a) There were 102 loss making enterprises as per performance of 1991-92.

(b) Improving the performance of Central PSEs is a continuous process. Enterprise-specific action is taken by the concerned administrative Ministries|Departments and the enterprises to improve the performance. Some of the measures taken are modernisation and rehabilitation plan, financial management and organisational restructuring, change in product-mix, technological upgradation, signing of Memoranda of Understanding, etc

(c) and (d) So far, there is no proposal to privatise any public sector undertakings. Only Government equity of selected public sector enterprises has been disinvested.

Indo-Sri Lanka joint ventures

443. SHRI P. UPENDRA : Will the PRIME MINISTER be pleased to state :

(a) whether Government have sought Sri Lanka cooperation in setting up joint ventures; and

(b) what is the outcome of the Indo-Sri Lanka Joint Business Council meeting held in Colombo recently ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHI) : (a) and (b) Government welcomes the setting up

of joint ventures by Indian Companies with their counterparts in Sri Lanka. The third meeting of Indo-Srilanka Joint Business Council was held in Colombo on March 8-9, 1993. The Control stressed the need for accelerating trade between the two countries through diversification of product, by setting up joint ventures with buy-back arrangements, and by joint export promotion in mutually agreed sectors. Several areas for potential joint ventures by Indian Companies were identified through one to one meetings. The Council hoped that the recent liberalisation measures introduced by India and the greater role assigned to the pvt. sector would help in greater flow of Indian investment into Sri Lanka.

Problems regarding growth of industries in rural areas

444. SHRI AJIT P. K. JOGI : Will the PRIME MINISTER be pleased to state :

(a) what are the main problems of rural industries;

(b) whether Government are making efforts to remove the bottlenecks responsible for the growth of industries in the rural areas;

(c) if so, the details thereof; and

(d) the scheme sponsored/incentives provided so far to promote the growth of rural industries ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES) (SHRI M. ARUNACHALAM) : (a) The main problems of rural industries are inadequate flow of credit, low technology and productivity, lack of marketing outlets, difficulty in getting raw material and poor infrastructure facility.

(b) to (d) Government is taking various measures to solve these problems. Based upon the recommendations of Nayak Committee, Reserve Bank of India is formulating plan to increase the flow of credit to the sector. Fisical concessions such as excise exemptions are given to rural industrial projects by Central Government and Sales Tax concessions by State Governments. In addition, the State Governments also provide infrastructural facilities such as cheap rate of power tariff, work-shed facilities, etc. District Industries Centres (DICs) have also been extending marketing, technology and other assistance to rural industries. KVIC has initiated various measures to upgrade the technology, improve the marketing and promote the competitiveness of rural industries. It also provides rebates and interest subsidy to KVI products.

Effect of liberalisation policy on Hindustan Newsprint Limited

445. SHRI P. UPENDRA : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that the liberalisation policy and escalation of input costs have affected the functioning of the Hindustan Newsprint Limited; and

(b) if so, what steps Government are taking to help the unit to attain viability ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHI) : (a) and (b) The Indian Newsprint Manufacturers' Association, of which Hindustan Newsprint Limited is also a member, has represented that import policy of newsprint has affected the sale of indigenous newsprint and remunerative price for their production and sought certain modifications in the present policy.